

100 PINE ST., SUITE 1550 SAN FRANCISCO, CA 94111 TEL: (415) 693-3000/ FAX: (415) 693-3178 WEBSITE: www.n-h-i.org

EMAIL: nhi@n-h-i.org

Non-Profit Law and Science for Global Resource Solutions

Ms. Tracie Billington
Department of Water Resources
Division of Planning and Assistance
P.O. Box 942836
Sacramento, CA 94236-0001

Ms. Shahla Farahnak State Water Resources Control Board Division of Financial Assistance 1001 "I" Street, 16th Floor Sacramento, CA 95814

February 8, 2007

Subject: Comments on the Recommended Additional Grant Awards under Proposition 50

Chapter 8

Dear Ms. Billington and Ms. Farahnak:

The Natural Heritage Institute urges you to fund the East Contra Costa Integrated Water Resources Management Plan implementation grant. The grant will result in significant environmental benefits for the Delta region and its fisheries. Fully twenty-eight percent of the requested grant would fund high priority ecological projects including the Dutch Slough tidal marsh restoration project and the Contra Costa County Habitat Conservation Plan implementation. Both of these projects have been subjected to extensive scientific and public input. The inclusion of these projects in the grant request reflects the good faith of East County water agencies to advance a truly integrated regional water management plan that benefits a wide range of stakeholders and resources.

The grant will significantly benefit the Delta and the state water supply system. The Dutch Slough project is the largest proposed tidal marsh restoration project in the Delta and was recently included on the Governor's action list to reverse the pelagic organism decline that has devastated the Delta's fishery in recent years. Without quick action, the pelagic organism decline could significantly constrain the state water project. The Department of Water Resources owns the Dutch Slough site, and the grant will assist reinforcement of the site's levees thereby reducing potential water quality and flood liabilities that could result from levee failure. The Contra Costa Canal Encasement and the Alternative Intake Projects will deliver higher quality water to more than half a million people and substantially reduce

conflicts between Contra Costa's water rights and the states' efforts to balance water and fishery management in the Delta.

This grant will support the type of integrated water management that would not otherwise be possible. In particular, the grant will allow for the integration of three adjacent projects: the Dutch Slough project, the canal encasement project, and the upgrade of the Ironhouse Sanitary District treatment plant. Integration of these projects will substantially increase ecological benefits and reduce implementation costs. But without timely IWRMP grant funding, it will be impossible to move the Dutch Slough project forward in tandem with the other two projects resulting in increased construction and mitigation costs as well as expensive conflicts and delays.

Thank you for your consideration. If you have any questions please feel free to call or e-mail at 415-693-3000 xt.108 or jcain@n-h-i.org.

Sincerely,

John Cain Director, Restoration Programs